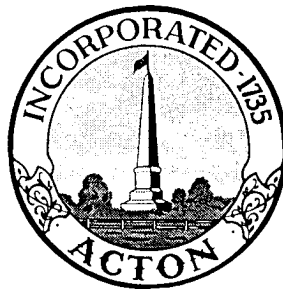


# **REQUEST FOR A CABLE TELEVISION LICENSE RENEWAL PROPOSAL**

**BOARD OF SELECTMEN  
TOWN OF ACTON, MASSACHUSETTS**



December 15, 1997

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## **1. INTRODUCTION**

In accordance with Section 626 of the Cable Communications Policy Act of 1984 (the "1984 Cable Act"), the Town of Acton (the "Town") has conducted ascertainment in order to identify and analyze a number of issues in connection with the renewal of the current CATV License (the "License"), which was effective on June 14, 1983. Currently there is one Cable Television Licensee in the Town of Action, A-R Cable Services, Inc., a wholly owned subsidiary of Cablevision Systems Corporation ("Cablevision").

## **2. BACKGROUND**

### ***2.1 License Renewal Deadline***

The current License expires on June 13, 1998.

### ***2.2 Ascertainment***

The Board of Selectmen, in their role as Statutory Issuing Authority, and the Selectmen's Cable Television Advisory Committee (CTAC) have been conducting a variety of activities to ascertain the needs and concerns of the citizens of the Town of Acton. The CTAC conducted a Public Hearing in Town Hall on January 25, 1995 which was continued on March 8, 1995.

As another source of information, the CTAC receives complaints from subscribers and monitors and analyzes this information on a regular basis.

Documents incorporated in the current license by reference as well as supplementary commitments of the licensee (Cablevision) have been reviewed.

The CTAC has also examined industry trends, and reviewed present and forecasted technology. The RFPs from other Massachusetts towns and cities have been carefully reviewed and heavily used in the development of this RFP to the extent applicable to the Town of Acton and its cable subscribers.

In addition, the CTAC has met with Cablevision to discuss Cablevision's view of these trends and Cablevision's plans for its Massachusetts cable properties.

Meetings of the CTAC have been and will remain open, and have served as an on-going forum for discussions of cable issues. Proper notice of all monthly CTAC meetings and Selectmen meetings was given in accordance with Massachusetts General Laws.

The license renewal requirements delineated herein are a result of the testimony gathered at the public hearings, subsequent responses from Cablevision, and discussions and input from Acton citizens and municipal departments.

## **3. FORMAT OF THIS RFP**

The format of this RFP consists of a commentary style statement of "Continuing and Evolving Needs and Interests" – i.e.: essentially a statement of, and commentary on, the results of ascertaining the Town's needs and interests. In developing this RFP, the CTAC drew heavily upon, and gratefully acknowledges, work done by the Towns and Cities of Lexington, Somerville, Peabody, and Athol.

## **4. INSTRUCTIONS**

### ***4.1 Requesting a Proposal***

The Acton Board of Selectmen, as Issuing Authority, is hereby requesting that Cablevision respond to this RFP by submitting a detailed renewal proposal to the Town, including the Massachusetts Community Antenna Television Commission Form 100. Cablevision's proposal should specifically address all of the areas, and cable-related requests, covered by this RFP. Cablevision should submit its renewal proposal to the Town no later than February 13, 1998.

### ***4.2 Transmittal of Proposal***

Cablevision should submit one (1) original and ten (10) copies of its renewal proposal, in loose-leaf binders, to the Town Manager's Office at the Acton Town Hall. Cablevision should also send one (1) copy of its renewal proposal directly to the Town's Cable Counsel, William H. Solomon, 319 Main Street, Stoneham, Massachusetts 02180.

### ***4.3 Negotiating Period***

Acton will make its decision within the four-month period, mandated by Section 626(c)(1) of the 1984 Cable Act, as amended by the Cable Television Consumer Protection and Competition Act of 1992 (the "1992 Cable Act"). The four-month period will commence on February 13, 1998, or such earlier date on which Cablevision submits its proposal pursuant to Section 4.2, above.

### ***4.4 Changes in RFP***

The Town reserves the right to make changes, additions and deletions to this RFP, as necessary, prior to receipt of the renewal proposal to be submitted by Cablevision. If any such changes are made, Cablevision will be given additional time in which to submit its renewal proposal. After receiving and reviewing the renewal proposal, the Town will schedule a series of negotiating sessions with Cablevision. The Town will draft any renewal license, the contents of which will be based on the agreements made during negotiations, as well as on proposals and commitments contained in the renewal application.

### ***4.5 Proposal Content***

Any renewal proposal, regardless of the length of the license term being requested, must include, among other things, Cablevision's detailed a) cost projections, b) projected annual and one-time capital expenditures and investments in any upgraded cable system, c) financial assumptions, d) projected subscriber rates, and e) projected returns during the entire length of requested term.

## **5. TERM**

### ***5.1 Term (Length) of License***

The Town will grant a renewed license for a term of 3 to 10 years, depending on the level of services provided by Cablevision.

### ***5.2 How Length of Term Will be Decided***

The Issuing Authority will determine the length of the renewal license term, based

upon a) financial information, b) Cablevision's direct investment into technologies that enhance and expand the cable system's output and channel capacity, and c) the result of negotiations with Cablevision.

## **6. LICENSE FEE**

The annual license fee payable to the Town shall be the greater of

- a) Fifty Cents per subscriber served determined on December 31st of each year.
- b) 5% of Cablevision's gross annual revenues in the Town of Acton
- c) such higher amounts allowed under federal or state law

The license fee shall be payable on or before March 15th of each year of the term of the license and should be accompanied by detailed financial documentation and verification.

## **7. CONTINUING AND FUTURE NEEDS AND INTERESTS**

### **7.1 Overview**

The sections that follow deal with the types of services and community needs identified by the Town during the ascertainment period. The requests contained in the following sections of the RFP represent the items that the Town expects will be provided by Cablevision under any subsequent renewal license granted by the Town. Each item is based on the prior commitments of the licensee, public comments, follow-up questions to, and responses from, Cablevision, as well as input and recommendations from Town departments and agencies.

### **7.2 Importance of Cable-Related Services**

In general, the Town of Acton has come to rely upon the ancillary services provided under the current contract, such as: use of cable television in schools, availability of TV equipment in schools, citizen access activities, cable studio, local origination activities, institutional network and other cable services called for in the previous franchise. The Town requires that such ancillary services continue under any new agreement.

### **7.3 Area of Service**

The area of service for the renewal license is the entire Town of Acton, including the same requirement as in the current license for prompt installation of new service in newly developed portions of the Town.

### **7.4 Compliance with State, Federal and Industry Standards**

The licensee shall at least meet, and preferably exceed, any of the service and performance standards established by the FCC, Mass. Cable Television Commission and National Cable Television Association, whichever insures the higher quality system and service.

### **7.5 Rate Setting**

The licensee shall agree that the Town may elect to regulate rates (including program tiers), equipment, and other charges to the fullest extent allowed pursuant to present and future Federal and/or state law.

## **8. SYSTEM UPGRADE CABLE CAPACITY & SERVICES**

### ***8.1 General Nature of Possible Upgrade***

The existing Acton cable plant is a single-cable system, providing subscribers with a capability of roughly 60 channels. Ascertainment found significant community demand for additional channels of programming. Cablevision should indicate whether it chooses to upgrade its system with a fiber, a mixed fiber plus coax hub, or an all coax system, or whether Cablevision plans to move to a larger number of channels on the existing cable using compression technologies now available, or some combination of all of these technologies. In addressing these general questions, Cablevision shall tell us its plans for improving service offerings throughout the term of the renewal license, including a year-by-year schedule for such improvements.

### ***8.2 HDTV***

Since a local station is required to begin HDTV on-air broadcast by the end of 1998, Cablevision is requested to tell us what will be in place so that Cablevision subscribers do not have to install antennas or use A/B switches to receive HDTV programming. Cablevision should also, in its proposal, discuss the impact of the planned availability of both local and satellite HDTV programming on its service offerings.

### ***8.3 Effect of Upgrade on Services and Rates***

The Town is concerned with how the consequences of any upgrade will affect the quality of service, the number of available upstream as well as downstream channels, the usefulness of upstream channels for Town programming and data services, the ease of access for consumer electronics, the continuance of the Institutional Network, and other capabilities of the existing system the Town has come to rely upon, as well as the effect on rates.

The Town understands that Cablevision is considering an architecture of fiber distribution to link and standardize the technology used so as to provide cable to a variety of Cablevision systems, with small hubs for signal distribution to the home. Cablevision is asked to provide an overview of that plan, and identify ANY changes in service that such an upgrade would entail. Particular attention should be given to how such a future system would upgrade the capabilities of Acton's institutional network, how distribution of community programming would be accomplished, including a consideration of the use of upstream channels for originating community-based programming, and how the institutional network and the upgraded system would be interconnected for moving video and data services between the two systems. Plans to interconnect Acton and Boxborough to allow better utilization by the Acton-Boxborough school system should also be addressed.

### ***8.4 Capacity***

The current system has a capacity of 60 video channels on the residential system and 27 downstream and 27 upstream channels on the institutional system (I-Net). Because of the interest expressed by Town residents for additional programming and the increasing use of modern technology by Town Government, the Town would like to understand Cablevision's plans to increase the capacity, both downstream and upstream, on both the residential system and I-Net.

### **8.5 Programming**

The CTAC frequently receives requests from residents for additional services to be carried. The Town is renewing its requirement for carriage of “local” broadcast signals, cable services of educational and cultural value to the Town, and international news. Cablevision is asked to specify what “local” signals, and cable services will be carried for the full term of the franchise. Please also list all programming sources which are available to cable providers and indicate which are not to be provided and why.

### **8.6 Signal Quality**

The licensee is required to meet or exceed the FCC’s upgraded 1992 technical specifications, at 47 C.F.R. Section 76.605, or modifications of such requirements as they become promulgated. Cablevision is to submit technical evidence with its response to this RFP that they meet the requirement of providing copies of annual performance tests for compliance verification, pursuant to 47 C.F.R. Section 76.601. The licensee should address the exact method and timing of its effort to remedy the demonstrated degradation of certain local broadcast signals, primarily those of Channel 4 (WBZ).

Cablevision should include in its renewal proposal an explanation of its proof of performance testing under a renewed franchise, and a detailed set of technical specifications for the operation of its Acton cable system, including specifications for Class I, II, III and IV signals.

### **8.7 System Enhancement without a Rebuild**

There has been a continuing source of complaints caused by outages, as well as concern that, without a rebuild, there will be a continued degradation of drop cables that will lead to signal quality inside residences below industry standard. There have been consistent complaints about the quality of signal throughout the system. Together these have led to a concern that, absent a rebuild, the system will be allowed to decline. Cablevision is asked to provide a statement of:

- Its intentions to improve the outage problem.
- An analysis of the signal quality problem, and steps to be taken to solve it. (Cablevision has maintained that there is no problem, but complaints have been received especially with regard to Channel 4, and we wish to understand the situation.)
- Its policy regarding drop deterioration, and what its plans are if, after two years, there has been no rebuild initiated.

## **9. LOCAL ORIGATION PROGRAMMING**

### **9.1 Need for Continued LO Programming**

Cablevision should continue producing local programming for its Acton subscribers during any renewal term. The Town has come to rely on the cablecasting of meetings of the Board of Selectmen, the School Committee, Town Meeting, and other government and community activities. To date, such programming has been performed in the “local origination” mode, rather than the “local access” mode, in that control of the programs has been assumed by Cablevision studio professional personnel, rather than being assumed by lay personnel.

### **9.2 Manning LO Program Production**

Experience has shown that important meetings and events worth cablecasting are often

held at night and usually run late into the evening, and hence are difficult to staff on a purely volunteer basis (especially when cameras are to be manned by students). Involved citizens are clear that there must be a continuation of Cablevision staff in the coordination and production of such LO programs.

### **9.3 LO Coverage**

The above-mentioned government activities and special events are the core of the Town's desire for an LO schedule of a minimum of fifteen (15) hours per week of unduplicated local programming of interest to Acton subscribers, staffed by Cablevision employees, including, but not limited to, the following live LO cablecasts:

- All Town meetings;
- All meetings of the Board of Selectmen
- All Acton and Acton-Boxborough School Committee meetings;
- Patriot's Day and Memorial Day activities (live where possible, otherwise taped);
- Significant school sporting and cultural events;
- All cable-related public hearings; and
- Other municipal and school events/meetings of interest to Acton subscribers such as Planning Board, Board of Health, Acton Leadership Group, Finance Committee, etc.

### **9.4 LO Operations Plan**

Cablevision should explain and detail its plans for LO programming during any renewal term, including a) number of hours of such programming, b) nature/content of such programming, c) degree to which programs will be repeated, d) nature of program material to be "imported" – i.e. not initiated in Acton, e) LO staff (Cablevision manpower hours and equipment and other expenses), f) additional LO budget other than Cablevision's own staff and overhead expenses, and g) LO equipment, h) length of time that LO tapes will be retained before erasure (30 days minimum requested for most meetings and events and permanent archival for town meetings) i) tracking and reporting to the town its LO hours and programming on no less than a monthly basis j) etc. Cablevision should cablecast its LO programming on a channel that is separate from the Public/Education/Government (PEG) Access channels.

## **10. P.E.G. ACCESS PROGRAMMING**

### **10.1 General Need for PEG Access Programming**

Because of its interest in local programming, the Town believes that funding for and operation of PEG Access programming (including staffing, facilities and equipment) should continue and increase throughout any renewal term granted.

### **10.2 PEG Access Coverage**

The PEG Access programming produced shall cover the arts, senior citizens, sports, education, school programs, children, health, government, Town events as well as other community topics and matters, all at no cost to subscribers, the Town, or PEG Access users.

### **10.3 Number and Nature of PEG Access Channels**

Pursuant to federal law, Cablevision should provide, and make available for exclusive

use of the Acton community, the number of PEG access and local origination “down” and “up” channels called for in the current license. The array of access channels shall include at least one public access channel, one educational access channel, one religious access channel, and one library access channel, as well as statutorily required leased access channels. The PEG Access downstream and upstream Access channels shall be separate from the Local Origination channels.

#### ***10.4 Access to the PEG Channels***

The Town wishes to explore with Cablevision, and requests description in specific technical detail of, the methods by which remote users will be able to cablecast their programming live without the need of carrying tapes to the headend for insertion onto the system by Cablevision.

#### ***10.5 PEG Channels - Scrambling Prohibited***

PEG access channels shall not be scrambled or otherwise encoded, unless decoding is provided free of charge for all residents.

#### ***10.6 PEG Access Organization & Operation***

Cablevision will continue to be responsible for ensuring that all Acton residents have access to the cable system. Cablevision shall establish written operating rules and procedures that shall ensure training and equipment access for all residents and organizations on a first-come, first-served basis. These rules shall include, for example, time of day the access facility will be available (flexible hours including evenings and weekends are required), technical requirements for videotapes to be cablecast, indemnification policies and so forth.

#### ***10.7 Annual PEG Access Funding***

Cablevision should provide annual funding for the costs of PEG Access programming in an amount not to exceed five percent (5%) of its gross annual revenues, less applicable license fees payable to the Town and the Commonwealth. To this end, in its renewal proposal, Cablevision should explicitly delineate in detail its projected costs for PEG Access over the renewal term. Based upon these projections and negotiations between the parties, Cablevision will be required to expend an explicit amount for PEG Access programming. This amount shall not include funding for LO programming.

#### ***10.8 PEG Access Funding Oversight***

To ensure continuing targeted funding of PEG Access and to allow effective oversight by the Town, Cablevision shall prepare an annual budget for PEG Access operations in the Town and submit it for approval by the Issuing Authority, and review by those persons on the CTAC designated as responsible for PEG Access oversight. The Issuing Authority and their designees shall not unreasonably refuse to approve such budgets. Cablevision shall work with the Issuing Authority, and their designees, on reasonable requests for changes to said annual PEG Access budget. The Issuing Authority and their designees will approve, deny and/or request changes in said annual budget within forty-five (45) days of receipt, unless mutually agreed to otherwise.

## **11. STAFF & FACILITIES FOR ALL LOCAL PROGRAMMING (LO & PEG Access)**

### **11.1 Staff**

At a minimum, Cablevision shall fill and fund positions for programming as follows:

- PEG/LO Access Program Director - full-time, to be shared with other towns to be specified in the license, and not to exceed the number of towns presently utilizing this position;
- PEG/LO Access Coordinator - full-time, solely for Acton programming; and
- PEG/LO Access Technician - to be shared with other towns to be specified in the license, and not to exceed the number of towns presently utilizing this position, with a minimum of twenty hours per week in Acton.

LO use of such employees shall not be credited against the five percent (5%) franchise fee ceiling, shall not be a PEG Access line-item on subscriber bills, and shall not be construed as an "external cost". The costs of staff, shared with other towns, shall be allocated appropriately among the communities, and Acton shall be provided with detailed cost reports in order to ascertain compliance.

### **11.2 Facilities**

Cablevision shall continue operating the video studio and mobile van in the Town. Said studio and mobile van, or replacements thereto, shall be for the primary use of Acton residents and Cablevision LO services in Acton, and shall be used primarily to produce Acton programming. Acton shall have first priority in the use of the van, but the van may be shared with other towns to be specified in the License, provided such towns give at least one week advanced notice. Costs shall be proportionally allocated between the towns according to use.

### **11.3 Acton Programming Facilities Upgrading and Maintenance**

In addition to the annual operating funding discussed above, Cablevision should continue to provide funds for the purchase of PEG Access equipment and/or facilities, the exact payment schedule to be negotiated by the parties. Said funds will be used to purchase new equipment for the production of PEG Access programming in the Town, as well as to expand and refurbish the existing PEG Access facilities and operations including:

- New equipment and funding for the local studio (such as three or more portable cameras)
- New equipment and funding for educational access
- New equipment for Selectmen's meetings
- Training program for Access volunteers.

The Town believes that Cablevision should provide the initial analysis and proposal with respect to equipment and annual budgets for these various facilities. Therefore, Cablevision should conduct such an analysis and, in its renewal proposal, provide the Town with the suggested annual budget and priced-out detailed written list of suggested equipment for PEG Access and LO. Cablevision should also propose a schedule of equipment replacement for the facilities listed above over the term of any renewal license and an additional dollar amount for new-technology and equipment that cannot be anticipated at this time. All PEG access equipment shall be maintained by the Licensee and owned by the Town.

Cablevision shall monitor the PEG Access Channels and equipment for technical quality

and shall ensure that they are maintained at standards commensurate with those standards which apply to commercial channels and equipment.

#### ***11.4 Backup Power***

Certain critical facilities of both the Subscriber and Institutional Networks should have a minimum of six hours of backup power. The facilities requiring backup are defined as those that would cause system failure if they lost local power while the rest of the Town still had power. Cablevision should indicate in its proposals which portions of the system are currently and will in the future be provided with backup power, the capacities of such backup power, and which portions of the system remain susceptible to local power outages. The Town believes that the system would be greatly enhanced by the provision of backup power supplies at critical trunk locations to minimize outages due to loss of power to amplifiers.

#### ***11.5 Emergency Notification Capability***

Cablevision at its sole cost should provide the Fire Department and Police Department with a remote capability to provide emergency announcements over all channels, to be controlled remotely by the Issuing Authority. If there is technical difficulty in overriding all channels simultaneously, such a system should include, at a minimum, the capability to usurp the audio of all the LO and PEG access channels, and preferably also the bulletin board channels. Cablevision shall provide all equipment and training necessary to allow the Police and Fire Department to remotely post an alphanumeric message on the government and public access channels. The Town asks Cablevision to explain how Cablevision will ensure the security of such a system. Cablevision should cite examples of such systems operated by Cablevision elsewhere, or by other cable television providers.

#### ***11.6 Competition and PEG/LO Operations***

Cablevision should explain and detail its plans for PEG and LO Programming in the likely event that a competing cable operator might begin offering service in the Town.

### **12. COMPATIBILITY WITH HOME ELECTRONICS**

#### ***12.1 Consumer Attitudes Toward Compatibility with Home Electronics***

Acton residents have invested time and money in selecting consumer electronics that offer the desired features. They do not like, and rarely understand, why it is necessary, under certain circumstances, to sacrifice features on their television sets, VCRs and remote controls in order to subscribe to cable services. It is understood that one cannot view and record two different scrambled cable services at the same time, and that the technical problems are very real, but the Town requests Cablevision to propose ways that the current incompatibilities can be lessened or eliminated. The Town asks that particular attention be given to helping eliminate these problems for those subscribing to basic and what is now termed "Family" tiers of service.

#### ***12.2 Cable-Ready Sets and VCR Compatibility***

Residents who are not taking any premium scrambled services are the most likely to resent the need to sacrifice the functionality of their home electronics. Priority should be given to identifying ways to provide subscribers the opportunity to use cable-ready

television sets and VCRs to view and/or record basic service channels, including the common over-the-air broadcast signals, local origination and access channels, and other unscrambled signals. In particular, Cablevision is asked to detail what steps will be taken so that the system can be configured, and channels so assigned, so as to avoid the need for any cable electronics in the home for unscrambled services.

### **12.3 VCR-Plus+**

Some of the consumer complaints focused on the problems encountered when cable subscribers attempt to use VCR-Plus+ for recording programs. Cablevision is requested to propose ways of making it simpler for VCR-Plus+ users, again with particular emphasis on “Basic” and “Family” tier subscribers.

### **12.4 Stereo and Closed Caption Signals**

The Town expects that all the signals in stereo and closed-captioned format that are part of the original programming on broadcast and cable service channels will be provided to the Acton subscribers. Cablevision should specify what stereo and caption signals are carried on the current system, and identify any that are not now carried. If any are not transmitted, the response to this RFP should specify what steps will be taken under a renewed franchise to remedy this problem.

### **12.5 Remote Controls**

The Town is similarly concerned that steps be taken to deal with the compatibility of remote control devices, and how it affects Cablevision policies governing the rental and/or sale of Cablevision-provided remote control units. Cablevision should indicate how subscribers who have their own so-called “universal” remote controls will be able to use them. Use of subscriber-owned remote controls should continue to be free of charge.

### **12.6 Using Subscriber Power**

Other towns have complained of Cablevision’s need to use the home as a source of electrical power. These reports have raised questions about current practice, as well as whether the architecture of an upgrade will increase the need to tap into the home as a source of power. Cablevision should indicate under what conditions Cablevision requires customers to provide power today to Cablevision gear, and an estimate of the power consumption, monthly operating cost of attached devices, evidence of fair notice being given to the subscriber about these costs, and the possible intrusion necessary to connect to home power. In addition, Cablevision should identify if there are any requirements for home-supplied power in the architecture of the fiber-based system being contemplated by Cablevision.

## **13. LOCAL OPERATIONS**

### **13.1 Importance of a nearby “Presence”**

Acton residents have come to rely on the nearby presence of Cablevision. Cablevision’s offices in Hudson provide easy access for the exchange of equipment and other transactions. Those involved in local programming feel that local studio facilities within the Town of Acton are essential to the success of local access. The use by Cablevision of telephone numbers within the Acton local calling area for local facilities and service is also important to gain an indication of local presence.

### **13.2 Local Business Office**

Cablevision should continue to operate and maintain a walk-in customer service office in Hudson or a closer town (in no case at a further traveling distance from the Acton Town Hall than the present office in Hudson), at reasonable standards, for the entire term of any renewal license. The office should continue to be located in a convenient location and have adequate parking for its customers. The Town believes that such an office should receive complaints, handle inquiries, schedule service calls, exchange converters and other equipment, receive payments for service, answer questions about any system changes, etc. The office should be open for the full work week, but have a flexible schedule that makes it available at least one evening a week and have Saturday hours to allow working families to be able to use the office. Cablevision should respond with explicit details on its willingness and plans to operate such an office, including office hours, personnel, telephone traffic, etc.

### **13.3 Location of Local Studio**

As covered in the section on local programming above, a local studio in the Town of Acton will also continue to be required. These facilities should be open for a reasonable number of hours in the evening and weekends to permit access of working citizens. Cablevision should specify proposed “after-hours” schedule.

### **13.4 Local Telephone Support**

If Cablevision chooses to continue telephone support for its cable services from a central facility outside the Town, then there should continue to be enough lines with local telephone numbers to that central facility. Such numbers should be provided in Acton telephone directories and, when appropriate, in cable literature issued to subscribers.

### **13.5 Location of and Interconnection with Headend/Sub-Headend**

Acton understands that the current headend may not be needed in the event of a cable rebuild, particularly one using a regional fiber distribution system. Cablevision is asked to confirm that any rebuild will include a provision for the location of, at least, a sub-head end, inside the Town limits, at a single location, for insertion of local programming, that will serve the entire Town. This revised headend (or sub-headend) will be equipped so that local programming can be transmitted to it via upstream cable channels, and be turned around to cablecast to the Town of Acton. It shall be Cablevision’s sole responsibility to ensure that local programming is properly transmitted and turned around to the appropriate downstream channels in an efficient and timely manner and at no cost to the Town.

## **14. CUSTOMER SERVICE**

### **14.1 Telephone Service for Customer Support**

Based on a high percentage of the complaints received, the Town believes that Cablevision’s telephone service must be improved and increased to handle all incoming calls promptly. The Town will also want to ensure that additional telephone lines and Consumer Service Representatives will be added when necessary. The Town will need to agree on standards for service and time schedules in which Cablevision will respond to service requests and problems. In addition the Town will need to agree on explicit criteria for the addition of telephone lines and/or CSRs. Such schedules and criteria will

be made a part of any renewal license granted. Cablevision should also provide the Town with quarterly telephone reports, tracking telephone activity and overall “responsiveness.”

#### ***14.2 Redefinition of Telephone “Waiting Time”***

The “wait time” for customers calling in for service or information is currently defined as the time it takes for the Cablevision system merely to connect and to stop the inquiring customer’s ringing tone. The “wait time” shall be redefined as the time it takes from when the customer dials the call until a CSR comes on the line.

#### ***14.3 Access to a Live Operator***

Cablevision’s Acton subscribers should be able to reach the customer service operation in a reasonable manner, at least in compliance with the FCC’s Customer Service Standards. In addition, the Town believes it important that a minimum of 80% of all telephone calls made to Cablevision must be answered within at least 25 seconds. In no event shall a customer be placed on hold for more than one minute. “All Trunks Busy” signals shall not exceed 20 minutes in total per day. If based on quarterly subscriber complaints or other reasonable basis, the Town questions Cablevision’s performance pursuant to this section, the Town may require Cablevision to submit a “busy study” from the local telephone company which provides service to Cablevision.

Cablevision shall have a live operator available, among other things, to schedule service calls and answer service questions after normal business hours, especially during prime evening and weekend viewing hours. An answering service will not be an accepted substitute.

#### ***14.4 Service Response Time***

Cablevision should state how quickly service personnel must respond to complaints and requests for repair service, as well as how quickly Cablevision must correct any problems with a subscriber’s picture quality. Flexible hours shall be available to customers for service and installation visits. Categories must include Morning, Noon, Afternoon, Evening, Saturday Morning, and Saturday Afternoon. 60% of service calls shall be done within twenty-four hours of receipt of the report from the subscriber, and 95% within two days. 95% of all installation requests shall be filled within two days of being requested by a customer. Cablevision shall agree to credit 25% of a subscriber’s full monthly bill in any event where a service appointment is not completed within two days of the customer’s request. Failure to keep a scheduled appointment through Cablevision’s own fault shall require Cablevision to provide a priority installation or service call to the subscriber at a day and time agreeable to the subscriber but in no event later than three days following the initial appointment unless otherwise agreed to by the subscriber. Missing this second appointment at Cablevision’s fault entitles the subscriber to a full month’s free service.

#### ***14.5 Status Monitoring Equipment***

Cablevision should indicate whether the Acton system will be equipped with status monitoring equipment to detect problems on the system. If so, Cablevision should indicate the type of problems to be monitored.

#### ***14.6 Compliance With Federal Regulation***

Cablevision should agree to comply with the FCC’s 1993 Customer Service regulations,

codified at 47 C.F.R. Section 76.309. In response to this RFP, Cablevision shall detail current practices in adherence to each of the various requirements therein.

## **15. INSTITUTIONAL NET**

### ***15.1 Need for Continuation of Institutional Net***

The Town seeks the continuation of the current separate institutional interconnection network ("I-Net") for municipal, educational and institutional use, with drops and outlets at all municipal locations including any new public facilities occupied during the term of this renewal license. Terms of I-Net under a renewed license shall include all facilities, services and operations now cited and/or provided under the current license.

### ***15.2 Bandwidth Ownership and Exclusive Usage***

The Bandwidth on the I-Net shall be the for the exclusive use of the Town, its public agencies and offices, as well as activities the Town specifically permits.

### ***15.3 I-Net Charges***

The I-Net should continue to be available for municipal use, without direct or external charges to the Town or subscribers.

### ***15.4 I-Net Grant***

Cablevision should provide a one-time cash grant of fifty thousand dollars (\$50,000) to the Town to ensure the most productive and efficient development, installation, and utilization of upgraded equipment for the Town's I-Net. Said grant shall be payable to the Town on the effective date of the renewal license. The Town may use this grant to purchase computer and communications equipment connected to the I-Net, including any local network segments within buildings connected to the I-Net.

In addition, Cablevision shall provide a detailed itemization of the expenditure of the \$50,000 required for the I-Net in the original license, and shall add any unspent amount to the cash grant due at the beginning of the renewal license.

### ***15.5 I-Net Channels***

The I-Net should continue to consist of at least fifty-four channels total, twenty-seven forward, and twenty-seven return, bridged to the Residential Net at the headend, as provided in the current license. As in the current license, Cablevision should continue its commitment to double the capacity of the institutional network when the Town uses 90% of the capacity of the existing I-Net. A fiber replacement shall be accomplished by the year 2000. I-Net channels shall continue to be capable of distributing video, audio and data signals to all the Town buildings currently connected. Switching facilities for the I-Net shall be located at Cablevision's headend. I-Net switching and transmission shall be the responsibility of Cablevision. Said I-Net downstream channels are currently, and shall continue to be, separate from, and in addition to, the PEG Access channels discussed above.

### ***15.6 Maintenance and Replacement of Data Equipment***

It has been our perception that "finger-pointing" has been a problem in resolving service problems with the I-Net. To improve the performance of the I-Net in the future, Cablevision shall be responsible for maintenance of Ethernet bridges and other digital signal conditioning equipment, as well as for their replacement as they become

obsolete. Cablevision shall assume this responsibility on the effective date of the renewal license. Where other vendors are contractually involved, Cablevision shall assume the role of a General Contractor, unless otherwise directed by the Town in writing, and shall be the Town's primary point of interface for service for all I-Net communications and transmission equipment. Standards for complaint handling and resolution shall be the same as described in Section 14 (CUSTOMER SERVICE).

## **16. INTERNET ACCESS FOR RESIDENTIAL SUBSCRIBERS**

### ***16.1 Current Status of Internet Access Via Cable Television***

The Town understands that Cablevision and other cable operators have made the Internet available to both individual and institutional users over their residential cable systems. While Internet access over Cablevision's facilities is not currently available to Acton residents, the CTAC has received numerous calls from residents asking for this service. The number of these calls has increased since MediaOne began advertising Internet service.

### ***16.2 Cablevision's Plans for Offering Internet Services to Subscribers***

Cablevision is asked to detail its own plans for a separate standalone Internet access service it would offer Acton residents, or any plans to cooperate with existing ISPs to provide cable access to their facilities. The proposal should review Cablevision's own planned and any other cooperative projects to offer Internet service, including the technology being used, pricing and operational experience. The proposal should then state when such a service would be offered to Acton residents, and should describe and outline such service. In addition, Cablevision shall provide Internet service to Acton and Acton-Boxborough schools at the same time as provided by Cablevision or any of its subsidiaries to any other schools in the Boston metropolitan area.

## **17. OTHER NEW TECHNOLOGIES**

### ***17.1 Telephone Services***

The Town understands that Cablevision will be providing telephone services to subscribers in its service area in the future. Please answer the following questions regarding that possibility:

- Does Cablevision anticipate providing telephone service(s) in the future? If so, when?
- Would Cablevision construct a separate plant for telephone services?
- If not, would such services be transmitted over the cable system? If so, how? What would the impact be on the existing and proposed cable system and capacity of that system?
- If Cablevision provides telephone services, would a separate subsidiary be responsible for administering such services? If not, would the local Cablevision management oversee such services?
- Would telephone services be available to all Acton residents or just Cablevision cable television subscribers?
- Would Cablevision offer telephone services to the Town agencies, including the Acton and Acton-Boxborough schools?
- If telephone service were to be provided in Acton, does Cablevision believe that a separate license or franchise from the Town is required?

- Does Cablevision expect its rates to be competitive to those charged by Bell Atlantic, or to provide a more advantageous local calling area (both outgoing and incoming) for its telephone subscribers than Bell Atlantic provides? If not, why not?

### **17.2 PCS/PCN**

The Town understands that Cablevision, or an affiliated company, may be currently experimenting with the new technologies of Personal Communications Services (“PCS”) and Personal Communications Networks (“PCN”). Please answer the following questions regarding PCS/PCN

- Please explain Cablevision’s or affiliated company’s “experiments” with PCS and PCN.
- What market segment does Cablevision anticipate selling PCN to?
- Does Cablevision anticipate offering such services to its Acton subscribers in the near future? To Acton nonsubscribers? If so, when?
- Does Cablevision envision ways in which the Town government could utilize PCS/PCN for more efficient operations and more cost-effective delivery of governmental services?
- Would Cablevision utilize any of the cable television system for the provision of PCS/PCN? If so, what portion? What is the interconnection between using the cable system and other spectrum for the delivery of PCS/PCN?
- If Cablevision provides PCN, would a separate subsidiary be responsible for administering such services? If not, would the local Cablevision management oversee the provision of PCS/PCN?
- Would Cablevision offer PCS/PCN services to the Town agencies, including the Acton and Acton-Boxborough schools?
- If PCS/PCN services were to be provided in Acton utilizing the cable television system, does Cablevision believe that a separate license or franchise from the Town is required?
- Does Cablevision expect its rates to be competitive to those charged by other providers of PCS/PCN services? If not, why not?

### **17.3 Interactive Services**

There has been much interest in the ability of cable operators and telecommunications companies to offer interactive video services. Please answer the following questions regarding interactive services:

- Please explain Cablevision’s plans for offering interactive services to Acton subscribers.
- Are these interactive services video? audio? data? Please explain.
- Does Cablevision anticipate offering such services to Acton cable subscribers in the near future? To nonsubscribers? If so, when?
- Does Cablevision envision ways in which the Town agencies could utilize interactive services for more efficient government operations and more cost-effective delivery of government services? In particular, could the Schools utilize interactive services to benefit Acton students? How?
- Would Cablevision use any portion of the cable television system for the provision of interactive services? If so, what portion? What would the impact be on the existing and proposed cable system and capacity of that system?

- If Cablevision provides interactive services, would a separate subsidiary be responsible for administering such services? If not, would the local Cablevision management oversee the provision of interactive services?

#### **17.4 Provision of new technologies**

The system must include sufficient capability to provide for communication services of the future, including, but not limited to security systems, fire alarms, medical alert devices, surveillance, interactive educational uses, institutional networks, interconnection with neighboring cable systems (especially Boxborough), electrical and water utility meter reading, computer data transmission, information exchange services, audience surveys, and other two-way services. Such services shall be provided to the Town of Acton by Cablevision as they become economically feasible. If such services are currently available to Cablevision's subscribers in any other community, they shall be offered to the residents of Acton.

See also Section 22.

### **18. SPECIAL RATES**

#### **18.1 Background**

Several groups have expressed the opinion that Cablevision should provide discounted rates to nursing homes, senior citizen group residences, senior citizen subscribers and bulk rates for multiple dwellings when they agree to have a single billing. Cablevision should propose special rates for these Acton subscribers, including a statement of what the discount will be, and to which specific tiers the discount will be applied. Most recent rate sheets for all categories of subscribers (not just residential) should be supplied with Cablevision's response.

#### **18.2 Rates for Senior Citizens**

Acton has a long-standing tradition of providing special attention to the needs of the elderly, and the ascertainment process heard requests that discounted rates be made available to seniors. This concern applies both to senior citizens in their own residences, in group homes, and in facilities that care for the elderly. Cablevision should present, as part of its renewal request, a schedule of the percentage discount that will be provided for all non-premium channels to subscribing residents where the head of household is 62 years of age or older.

#### **18.3 Rates for Nursing Homes & Senior Citizens' Residences**

Nursing homes and other facilities that provide care for the elderly are a particular concern because they rely heavily on television services, need multiple connections, and under current rates, have to pay an unreasonable amount for cable service. The Town feels that judging the rates for such institutions based on the shared kitchen facilities or other elements of the homes leads to gross unfairness given the unique character of such homes. Since there are only a very small number of facilities in Acton whose primary purpose is to care for the elderly, Cablevision is asked to set a special rate for such facilities.

#### **18.4 Rates for Small Commercial Firms**

Rates for small commercial firms should be addressed. Exact definitions of what constitutes the various categories of "small firms", and attendant rate schedules should

be cited.

### ***18.5 Bulk Rates for Multiple Dwelling Units***

The number of multiple dwelling units in Acton has increased since the original license was granted, as encouraged by land use regulations and low-income housing initiatives. Accordingly, there has been increased interest in “bulk” rates. Bulk rates for multiple dwelling units should thus be addressed. Exact definitions of what constitutes the various categories of “multiple dwelling units” and attendant rate schedules should be cited.

## **19. CABLE TV SERVICE TO PUBLIC BUILDINGS**

To ensure that all public and private schools and public buildings in the Town during the term of this license can receive the PEG Access and LO programming discussed above, Cablevision should continue to provide free, activated subscriber network cable drops and a converter for each outlet and all non-premium cable services to all public buildings (the locations to be negotiated between both parties). The residential and I-Net cable drops provided to the schools and library under the current license shall be continued under the renewed license. Cablevision, at its sole cost, shall maintain and repair cable drops, outlets, and converters for normal wear and tear.

## **20. REGULATORY & COMPLIANCE ISSUES**

### ***20.1 Overview of Regulation and Compliance***

The Town must be able to enforce all agreements made during the renewal process. To this end, the Town will include adequate legal remedies in any renewal license to ensure compliance with all terms and conditions therein. The Town will be entitled to conduct periodic compliance reviews, and Cablevision will supply answers to written questions related thereto, and will have representation at public hearings related thereto.

### ***20.2 Performance Bond***

The Town will require a performance bond to be maintained throughout the term of the renewed license, in the amount of one hundred thousand dollars (\$100,000.00).

### ***20.3 Letter of Credit***

A letter of credit will be required, on which the Town may draw. The amount will be fifty thousand dollars (\$50,000.00), with the purpose of guaranteeing complete renewal license compliance by Cablevision.

### ***20.4 Liquidated Damages***

Liquidated damages will be included in any renewal license, including damages for, among other things: a) failure to provide the Town with proper notification of service and channel changes, b) failure to accomplish any committed rebuild, c) failure to make available to the Town I-Net capacity and equipment as required, d) failure to activate and program the minimum number of channels as required, e) failure to provide cable service to all residents of the Town as required, f) failure to install drops and outlets as required, g) failure to comply with the customer service standards as required, h) failure to meet technical standards, i) failure to receive approval from the Issuing Authority prior to any transfer of the cable system, j) failure to provide reports as required, k) failure to provide subscribers with timely information about service

changes, etc.

Any liquidated damages incurred will be levied by the Town against the letter of credit. The letter of credit must be refunded to the contractual level if and when drawn upon. Cablevision will also be required to carry at its sole cost general comprehensive liability, motor vehicle liability, and property damage liability insurance policies, in such amounts and with such conditions as required by the Town and in order to protect against liability and protect the public. In addition Cablevision shall maintain at its own cost workers' compensation insurance in the statutorily required amounts.

## **20.5 Certification Records**

Cablevision will be required to submit annual certificates and evidence of all required insurance policies, the performance bond and the letter of credit to the Town.

## **20.6 Indemnification**

The Town will include indemnification language in any renewal license, holding the Town harmless from any claims arising out of the reconstruction, upgrade, installation, operation and/or maintenance of the cable system.

# **21. CONSUMER PROTECTION**

## **21.1 Elements to Assure Consumer Protection**

Ensuring that Acton subscribers are adequately protected in their dealings with Cablevision is another prime concern of the Town. To address these, and other, consumer concerns, the Town will include a section entitled Subscriber Rights and Consumer Protection in any renewal license. Included in such a section would be the following broad categories:

- a) Subscriber Solicitation Procedures: Inserting appropriate procedures which will ensure that all prospective subscribers receive clear and concise information concerning rates, billing policies, service options, etc.
- b) Consumer Sales Procedures: Outlining Cablevision's sales brochures, ensuring that a complete description of all services is included. This should go to all new and existing subscribers.
- c) Customer Service Procedures: Detailing Cablevision's response time to customer complaints, service outages, etc.
- d) Form of Bill: Covering the information to be provided to subscribers, which clearly details all charges for cable services.
- e) Billing Dispute Procedures: This section will require Cablevision to resolve all disputes within one business day, specify specific procedures to be followed, including late charges and any "cap" for such late charges, etc.
- f) Disconnection and Termination of Service: Detailing Cablevision's policies and procedures, including timelines, for disconnection and/or termination of cable service.
- g) Downgrade/upgrade policies: This section shall include the specific procedures for a change in service, including the effective date of such requests. Cablevision should allow subscribers to add one service free of charge annually, and shall be able to downgrade service at no charge.
- h) Loss Service/Signal Quality: Assuring that Cablevision shall comply with all applicable FCC and contractual signal quality standards. The renewal license will

- contain policies and procedures for loss of service, including rebates to subscribers.
- i) Pro-Rated Service: Specifying agreed-upon parameters for outages etc.
  - j) Weekend Service: Offering Cablevision's subscribers Saturday installation appointments, as well as service repair appointments.
  - k) Privacy Provisions: Referencing the federal law.
  - l) Publication: Ensuring that customer service policies and procedures, including applicable consumer protection provisions, billing and termination policies and complaint resolution procedures, are published and provided annually to all subscribers.
  - m) Deposits/Loss of Equipment: Detailing Cablevision's deposit requirements, if any, as well as its policies related to loss of equipment (i.e. converters, etc.).
  - n) Rebates: Detailing a plan for providing rebates to subscribers for any amounts due to lost or interrupted service.

### **21.2 Consumer Protection from Offensive Programming**

There is a strong sentiment in Acton that families should have the right to block any channels coming into their home that they consider offensive for any reason. Cablevision must include in its proposal its proposed policies on this subject as well as a description of the technical means it will use to provide the signal blocking.

### **21.3 Rates and Financial Information**

Although the Town itself does not currently have authority over subscriber rates (but reserves its right as described in section 7.5) to regulate subscriber rates in the future pursuant to applicable law), Cablevision should provide complete information and details about its projected rates during any renewal term. Cablevision should address the following:

- Prediction of rate increases in the next several months and in the first 2 years after license renewal,
- Impact on rates in Acton of Cablevision's corporate debt, obligations to stockholders, or other existing obligations due to corporate financing transactions,
- Effect of any new requested services in this RFP on subscriber rates in Acton.

### **21.4 Rate Forecasts**

In preparing its renewal term Form 100 financial pro formas, Cablevision should explicitly factor in its likely rate increases over the entire term requested in order for the Town to get an accurate idea of Cablevision's revenues and projections.

### **21.5 Channel Lineup Cards**

Any announcements to subscribers of channel lineup changes must be accompanied by a new lineup card. Both sides of any channel lineup listing shall display the effective date of the lineup. All downstream Access channels and the LO channel dedicated to Acton shall be so designated. Inactive channels reserved for Acton shall similarly be identified.

## **22. NEW TECHNOLOGIES**

### **22.1 Goals**

So as to keep pace with emerging technologies and changing business climates in the cable television industry, the Town will require that Cablevision offer updated

technology to the Town at least in keeping with updates and upgrades offered to comparable communities.

### **22.2 Timing/Triggering**

The Town will have the option to require that Cablevision offer updated/upgraded services and equipment, shown to be available in at least 20% of the cable television systems within 25 miles of the State House, in communities having 3,000 - 10,000 subscribers according to the following schedule:

<u>License term</u>	<u>Years at which upgrades must be offered</u>
8-10	2 and 5
5-7	midpoint

Cablevision shall review with the Town changes in relevant cable television technology and services that might benefit Acton subscribers.

### **22.3 Review of Update Options**

The Issuing Authority, as part of any renewal license, will require that a performance evaluation of Cablevision be conducted every year from the execution date of the signing of the renewal license. The Issuing Authority may choose to hold public hearings as part of this performance evaluation. At such a hearing, representatives of Cablevision, the CTAC, and the Town will be allowed to publicly discuss the status of the cable system, system improvements, new programming, reconstruction timetables or any other matter relevant to the system and/or license compliance. Cablevision shall review with the Town the various options for updating/upgrading, including the financial impact on Cablevision as well as the effect on subscriber rates.

### **22.4 Ascertainment of Community Needs**

If or when an update/upgrade is being planned or requested by the Town (see 22.2 above), Cablevision should immediately conduct a valid survey (at its expense) of Acton subscribers detailing costs to subscribers and service changes. The survey questions shall be designed in consultation with the Issuing Authority. In concert with the survey, the Town will conduct a public hearing.

### **22.5 Schedule**

The Town may exercise its option to require Cablevision to update/upgrade the system by notifying Cablevision within 3 months after the ascertainment public hearing (see 22.4 above). Cablevision will then have 12 months to complete the update/upgrade.

## **23. REPORTS**

### **23.1 Necessity for Submitting Reports**

The Town will require, in any renewal license, the timely submission of all appropriate reports pertaining to Cablevision's operation of the cable system in Acton, including, but not limited to: quarterly complaint reports, quarterly outage reports, detailed financial reports, performance test reports, telephone reports, construction reports, annual number of subscribers, maps of the cable plant, etc.

### **23.2 Access to Operating Information**

Cablevision shall recognize the right of the Issuing Authority, or its designees, to have access to all the same information as that furnished by the cable company to the State

or FCC regarding rate regulation issues or that furnished as a periodic obligation.

### **23.3 *Timeliness of Reporting***

There is a widespread perception that the lack of prompt submission of required reports has limited the Town's ability to work closely with Cablevision in the past, and has contributed to unnecessary misunderstanding between Cablevision and the Town. If, under the new franchise, reports are over 30 days late, the Town may assess penalties according to a schedule of liquidated damages.

## **24. RIGHT TO PURCHASE**

The Town proposes a right-to-purchase provision in a renewal license. Such a provision would be triggered by a sale or transfer of the Acton system, or the expiration of the renewal license, or abandonment of any part of the system.

## **25. DRAFTING OF THE RENEWAL LICENSE**

After the Town receives Cablevision's proposal, and after subsequent negotiations are completed, the Town will draft a license. The license will include provisions for awarding a nonexclusive renewal license to reconstruct, upgrade, install, operate and maintain a cable television system in the Town. Conditions accompanying the grant of such a renewal license will also be included. All renewal license provisions will reflect the Town's regulatory policies, as determined by the Issuing Authority. Cablevision will be obligated to comply with all of the terms and conditions in the renewal license.

## **26. REIMBURSEMENT**

### **26.1 *Reimbursement of Current Costs***

The Town has retained professional assistance to advise it during the renewal process. It is the Town's position that it should not be required to pay for such assistance for negotiations with Cablevision, and it is therefore the Town's position that Cablevision should reimburse the Town for all license renewal costs that are permitted under the Cable Act.

### **26.2 *Reimbursement of Possible Future Costs***

The Town will require that Cablevision reimburse the Town for any other administrative or legal costs incurred by the Town as a result of a) a transfer of ownership of the cable system and/or b) any amendments or revisions of the renewal license, if requested by Cablevision.

## **27. CONCLUSION - Hope for Successful Negotiations**

Many capabilities and services provided by Cablevision have become a part of the community's life; however, in the fifteen years since the license was first negotiated, there have been vast improvements in technology and a huge increase in available programming and services. The Acton Board of Selectmen, as the Issuing Authority, wishes Cablevision to provide technologies and services responsive to the needs of residents' and reflective of the changes referenced above. We are hopeful that through good faith negotiations, the Town and Cablevision can agree on the specifics of a continuing cable television operation and system that both parties will be proud of and that will provide Acton with quality cable television service in the years to come.